

Connect NC Bond Update

Mark Bondo
Office of State Budget and Management
Dec. 12, 2018



General Information

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and Management

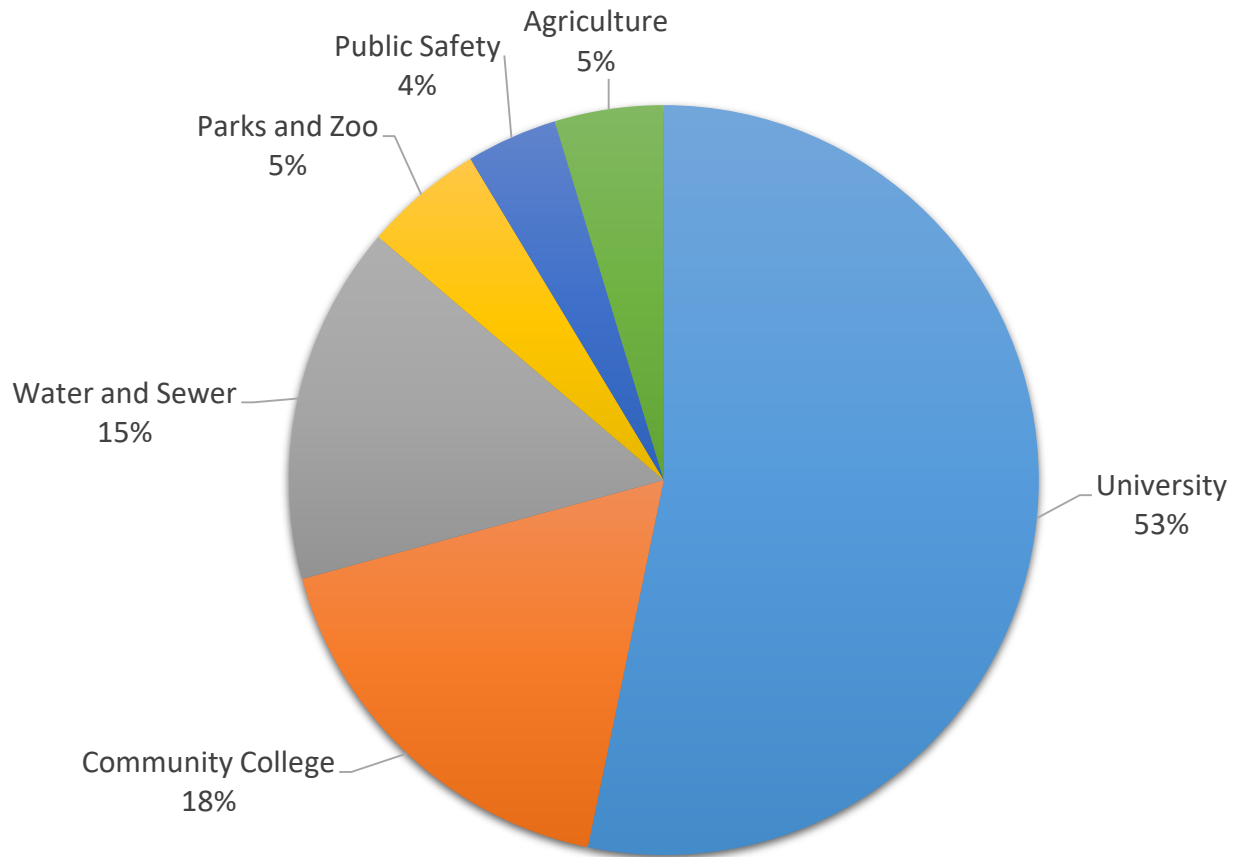
- The Connect NC Bond Act was passed by the General Assembly in 2015 and approved by the Voters in March 2016
- The Connect NC Bond is a \$2 Billion General Obligation bond program supporting University, Community College, Public Safety, State and Local Parks, NC Zoo, and Agriculture



Total Allocation

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Connect NC Bond: Total Allocation (\$2 Billion)



Agriculture includes only the Department of Agriculture and Consumer Services Project. The Plant Sciences Building is included in the University Total



First Issuance

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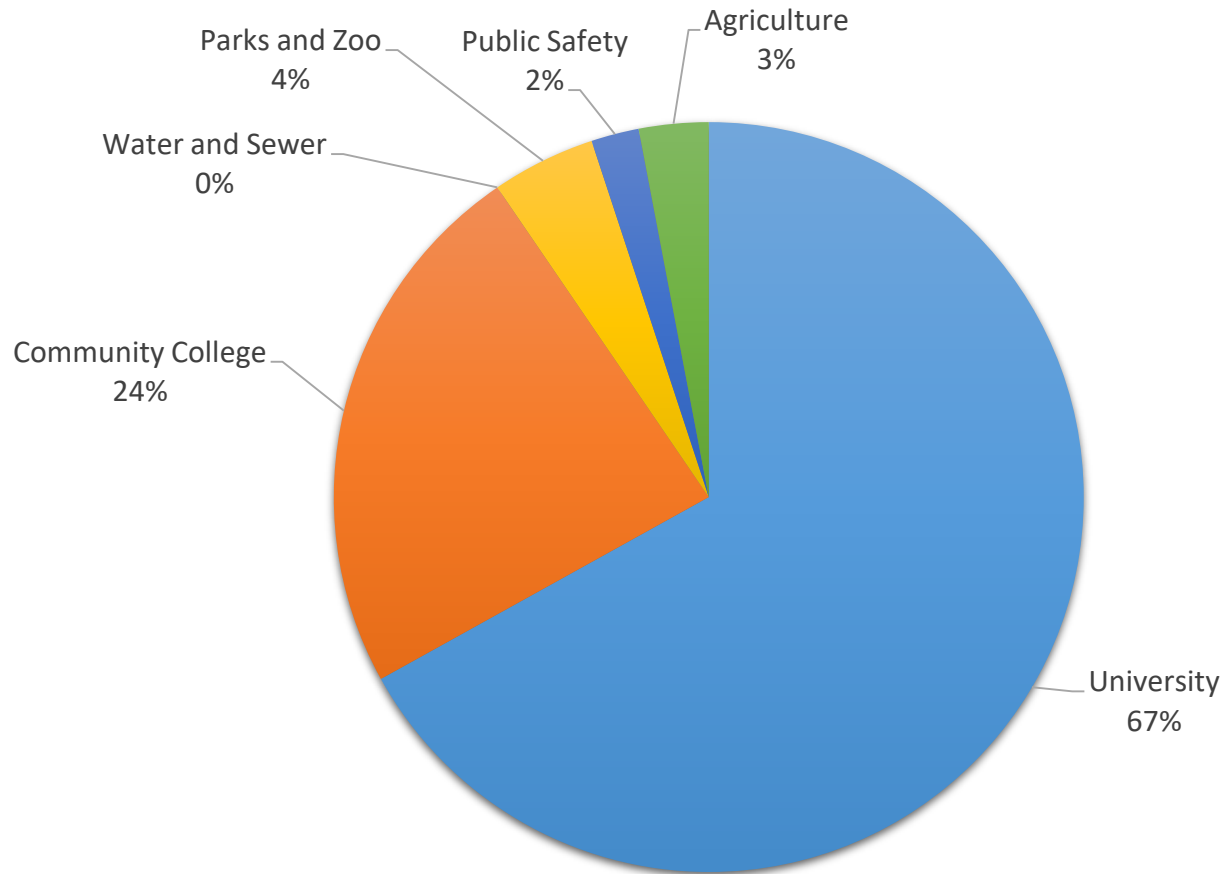
- The First Issuance of the Connect NC Bond was sold in August 2016 at an interest rate of 2.079% (\$200 million)
- The Second Issuance of the Connect NC Bond was sold in July 2018 at an interest rate of 2.865% (\$400 million)
- The State issues debt based on the cash flow needs of the projects being financed.



Current Total Expenditures

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Connect NC Bond: Current Expenditures (\$280.4 Million)



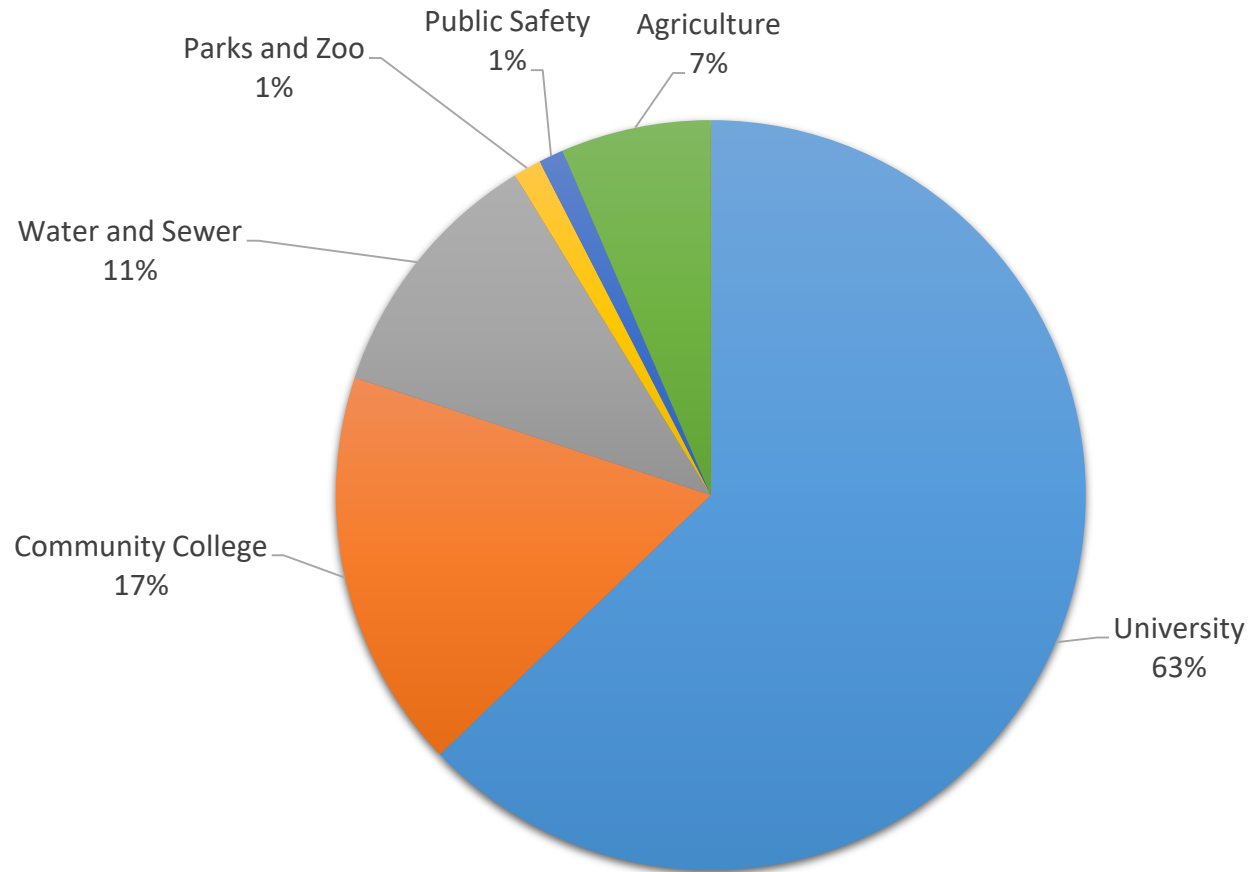
Agriculture includes only the Department of Agriculture and Consumer Services Project. The Plant Sciences Building is included in the University Total



Forecast Recipients

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Connect NC Bond: Forecast Recipients (\$400 Million)

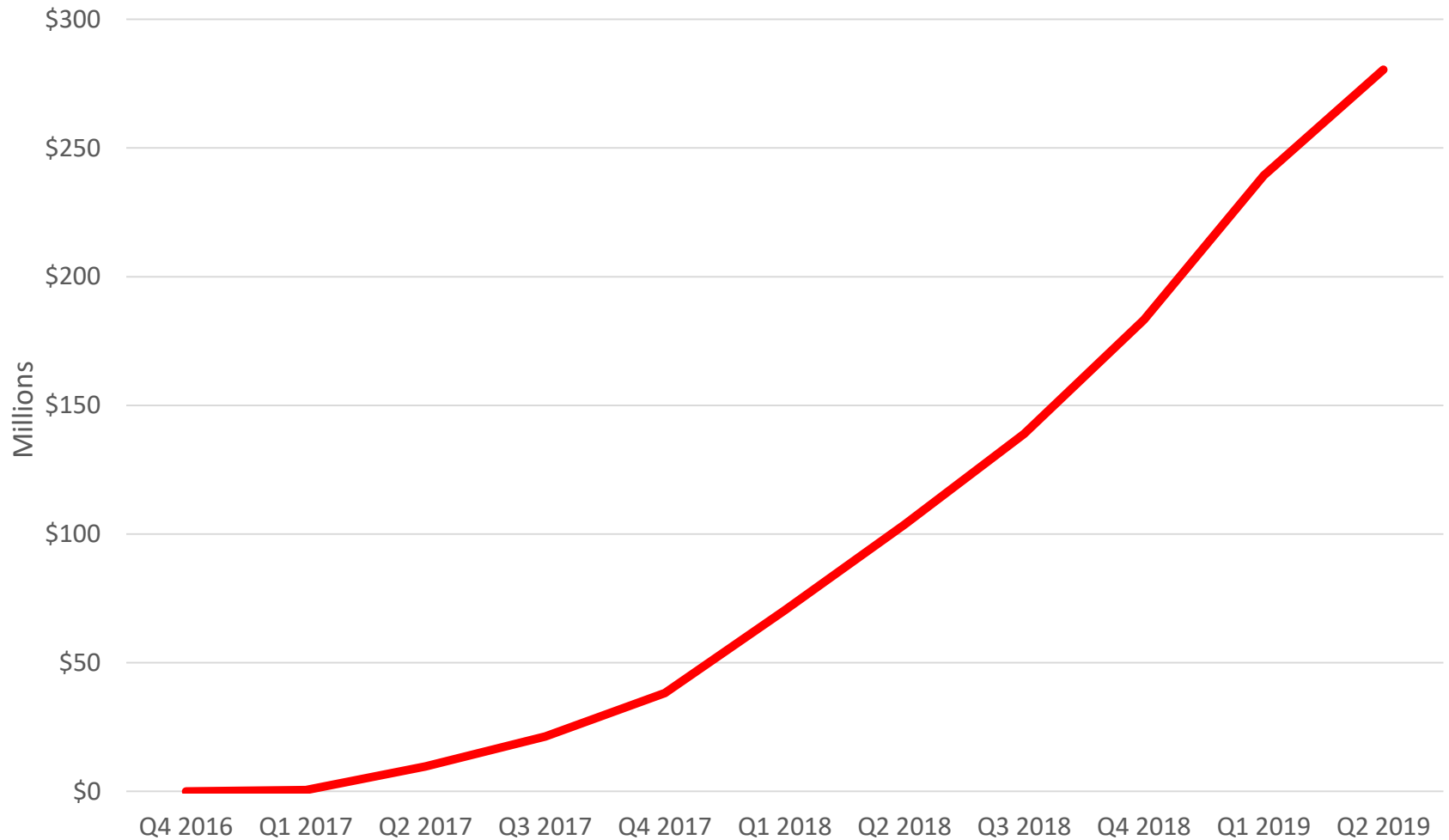


Agriculture includes only the Department of Agriculture and Consumer Services Project. The Plant Sciences Building is included in the University Total



Current Expenditures: Cumulative

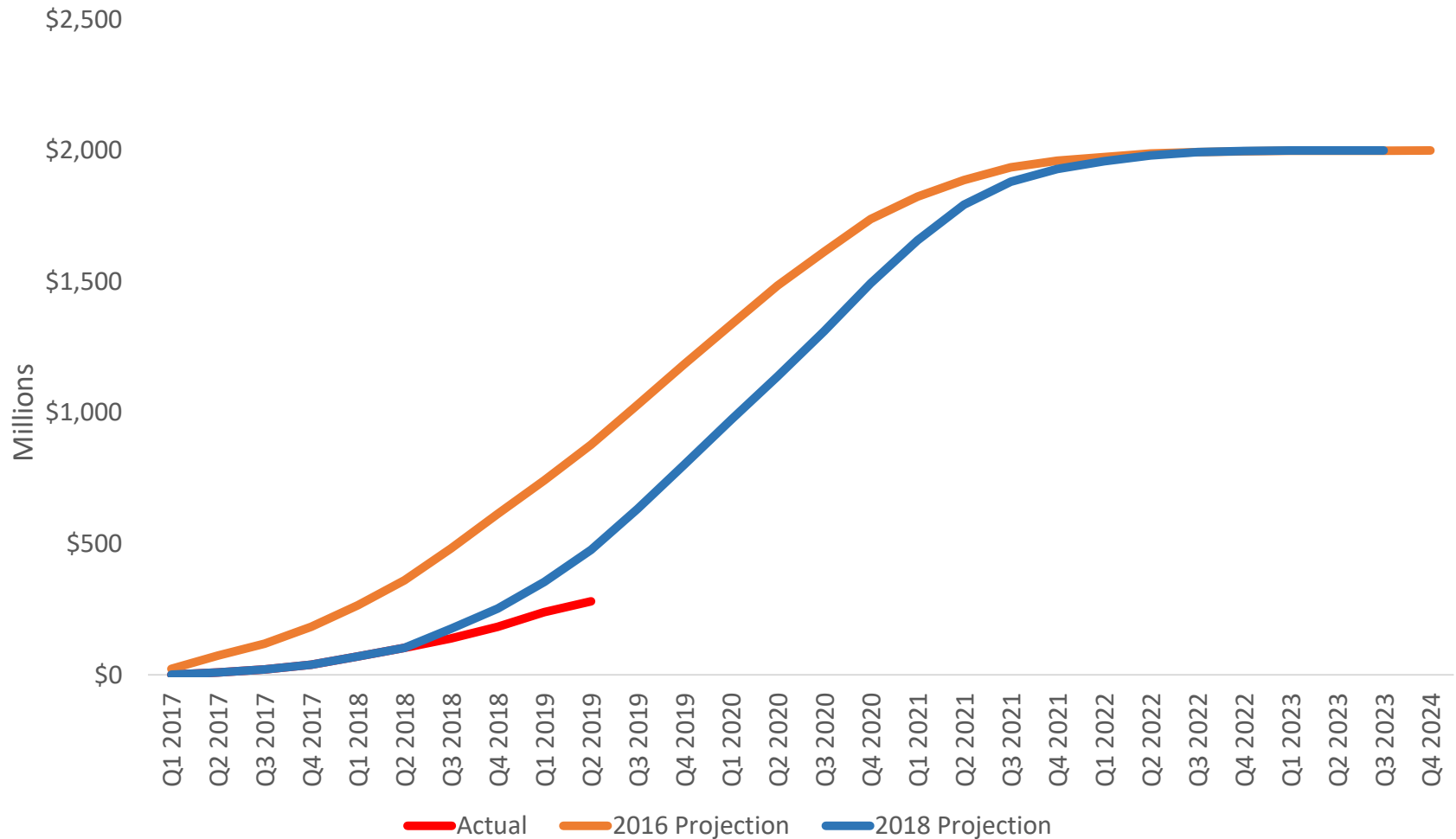
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Projected Expenditures vs. Actual

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OSBM Review of Cash Flow Projections

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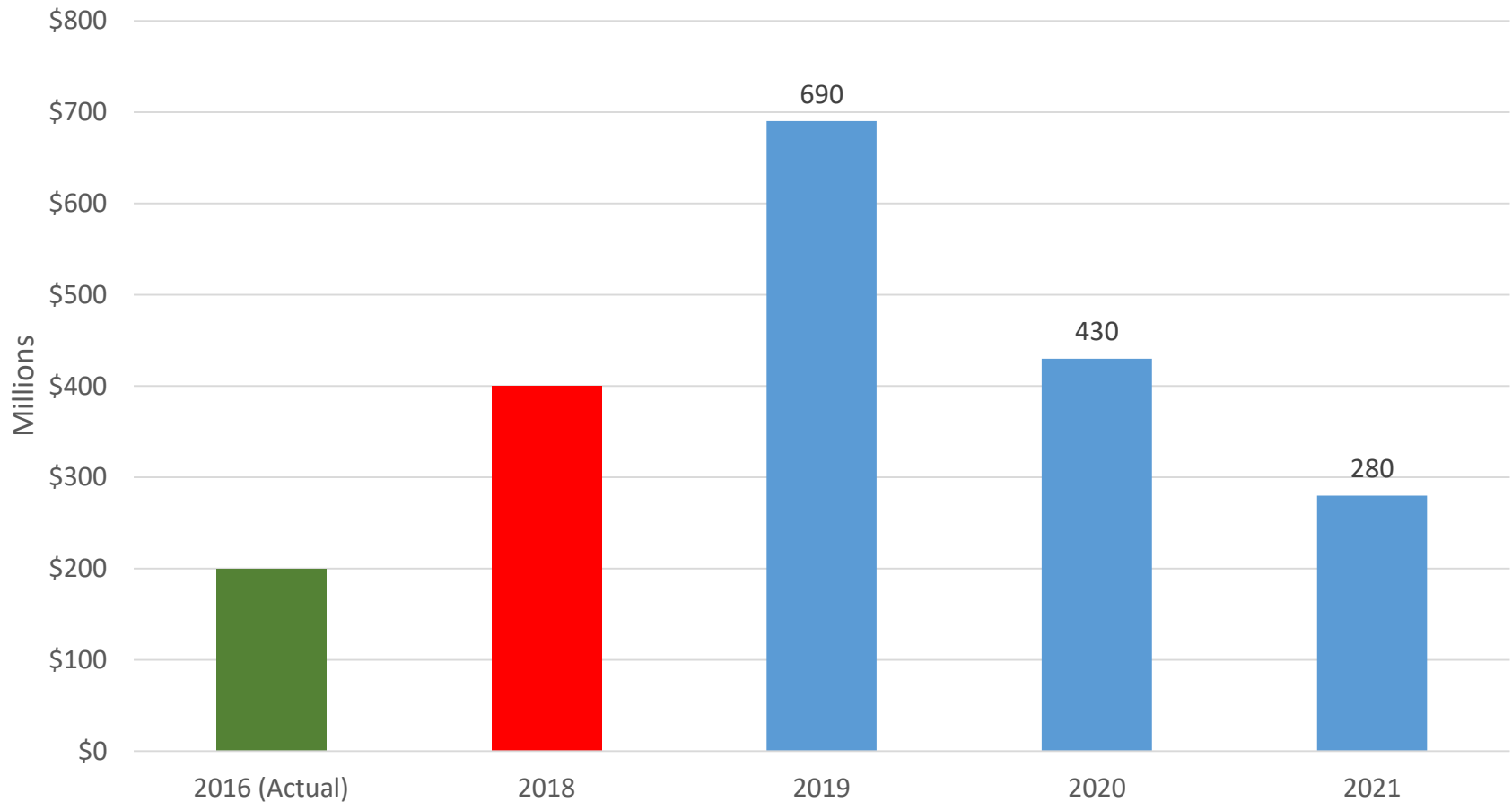
- OSBM meets with Connect NC Bond recipients to review cash flow submissions and make adjustments, as needed.
- As an example, prior to the last Connect NC Bond Issuance, OSBM recommended a reduction of \$260 million – which saved millions in debt service.
- The next updated Connect NC Bond forecast is due at the end of December 2018.

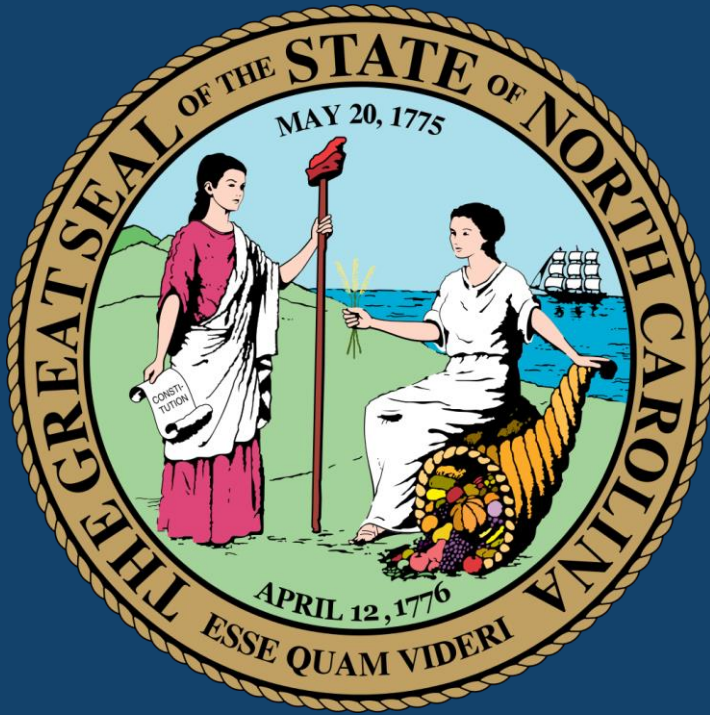


Projected Issuance Schedule

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Projected Issuances (Calendar Year)





Overview of 2017-19 State Agency Capital Improvement Requests

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Dec. 12, 2018



- Overview of Selection Process for Capital Funding
 - Long Session
 - Short Session
- Overview of Agency Needs Requests
- Comparison of Governor's Recommendations and Appropriations Act



Long Session Budget Development

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- OSBM gathers State Agency six-year needs assessments
- OSBM meets with each agency to better understand requests
- OSBM develops a criteria for project selection
- OSBM makes recommendations to Governor and develops funding plan



Long Session Scoring Criteria

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2017 State Agency Capital Project Evaluation Criteria

| Prioritization Category | Criteria | Indicator/Definition |
|--------------------------------------|---|---|
| Critical Evaluation Criteria | | |
| Federal State Mandate | Federal/State Mandates | Is the project required by federal or State statute, court order, or regulation, or does project move an agency/institution into further federal compliance? (5 Points) |
| Health and Safety Considerations | Reduce Hazards and/or Deficiencies in Existing Facilities | Does the project address documented critical life safety issues? (5 Points) |
| Strategic Evaluation Criteria | | |
| Strategic Alignment | Governor's Strategic Goals/Objectives | Does the project advance the Governor's strategic objectives and statewide goals? (10 Points) |
| Strategic Alignment | Agency's Strategic Goals/Objectives | Priorities 1 to 5 = 6 points, Priorities 6 to 10 = 3 points |
| Economic Development | Economic Development | County (Tier 3 = 0 points, Tier 2 = 1 point, Tier 1 = 2 points) |
| Agency Capacity | | |
| Capital Capacity | Prior Capital Funds | Did the agency receive Connect NC Bond Funding? (2 points if "No") |



Long Session Project Financing

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- OSBM also makes recommendations as to project financing:
 - Debt vs. Cash Financing
- 2017-19 Debt Recommendations:
 - Projects should be suitable for debt (i.e. not planning only; long lived asset; etc)
 - Projects should be over \$2.5 million in cost
 - Projects should be a complete building renovation; infrastructure renewal, or new construction of a building.



Short Session Process

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- Analyze and compare what was funded from first year's capital budget
- Re-evaluate second year plan for capital improvements and unfunded first year requests for inclusion in recommended budget
- Analyze any new submissions by Agencies



Short Session Prioritization

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- Ensure that existing capital projects have sufficient funding for completion
- Review agency past submissions and new submission to see if requests are urgent to comply with a new requirement or an event



The following presents appropriations requests and related needs, by State agency:

- University of North Carolina has been excluded, but will be discussed later
- Agencies without buildings (Treasurer, Auditor, etc) have been excluded
- Agencies that did not make requests, but do have assigned buildings, have been excluded. These agencies are:
 - North Carolina General Assembly
 - Department of Commerce
 - Department of Information Technology
- Water Resources Projects excluded from this presentation



Detailed Agency Requests and Appropriations



Agency Appropriations - Statewide

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Summary of Statewide Appropriation Items

| | Governor's Recommended Budget | | Appropriations Act | |
|---------------|-------------------------------|-------------|--------------------|------------|
| | FY 2017-18 | FY 2018-19 | FY 2017-18 | FY 2018-19 |
| Unemarked R&R | 100,000,000 | 125,000,000 | 101,000,000 | 64,798,930 |



Agency Needs Requirements - DOA

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| | |
|------------------------|---------------|
| Gross Square Footage | 4,169,798 |
| Insured Building Value | \$928,534,000 |
| Number of Buildings | 73 |

The Department of Administration maintains the Capital Area State Buildings, with some exceptions. Buildings include office and warehouse space, laboratories, museums, and parking garages, and related support facilities.



Agency Needs Requirements - DOA

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Summary of FY 2017-19 Department of Administration's Capital Improvement Needs Requests

| | FY 2017-18 | FY 2018-19 | FY 2019-20 | FY 2020-21 | FY 2021-22 | FY 2022-23 |
|-------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| New Capital Requirements | 60,046,479 | 250,198,219 | 112,564,106 | 236,913,048 | 279,066,431 | 227,247,717 |
| New Capital Receipts | | | | | | |
| New Capital Appropriation | 60,046,479 | 250,198,219 | 112,564,106 | 236,913,048 | 279,066,431 | 227,247,717 |
| | | | | | | |
| Repair and Renovation Requirements | 39,804,540 | 21,452,465 | - | - | - | - |
| Repair and Renovation Receipts | - | | | | | |
| Repair and Renovation Appropriation | 39,804,540 | 21,452,465 | - | - | - | - |



Agency Appropriations - DOA

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Summary of FY 2017-19 Department of Administration Capital Improvement Actual Appropriations

| | Governor's Recommended Budget | | Appropriations Act | | Repair and Renovations Allocations | |
|------------------------|-------------------------------|------------|--------------------|------------|------------------------------------|------------|
| | FY 2017-18 | FY 2018-19 | FY 2017-18 | FY 2018-19 | FY 2017-18 | FY 2018-19 |
| General Fund | 5,500,000 | 1,000,000 | | | | |
| Repair and Renovations | | | | | 9,187,400 | 9,051,165 |
| Receipts | | | | | | |
| Debt | 38,683,000 | | | | | |



Agency Needs Requirements: DACS

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| | |
|------------------------|---------------|
| Gross Square Footage | 4,137,524 |
| Insured Building Value | \$389,102,794 |
| Number of Buildings | 1,165 |

The Department of Agriculture and Consumer Services maintains laboratory, research, forestry, State Fair Grounds, and farmers market related facilities throughout the State.

Receipts to the Department typically from Agriculture enterprises (State Fair, Farmers Market, etc).



Agency Needs Requirements - DACS

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Summary of FY 2017-19 Department of Agriculture and Consumer Services Capital Improvement Needs Requests

| | FY 2017-18 | FY 2018-19* | FY 2019-20 | FY 2020-21 | FY 2021-22 | FY 2022-23 |
|-------------------------------------|-------------------|--------------------|-------------------|-------------------|-------------------|-------------------|
| New Capital Requirements | 6,000,000 | 731,000 | 2,750,000 | 1,688,000 | 6,500,000 | 15,000,000 |
| New Capital Receipts | | | | 200,000 | | |
| New Capital Appropriation | 6,000,000 | 731,000 | 2,750,000 | 1,488,000 | 6,500,000 | 15,000,000 |
| | | | | | | |
| Repair and Renovation Requirements | 1,919,000 | 1,230,000 | 1,580,000 | 3,067,000 | 1,190,000 | 1,215,000 |
| Repair and Renovation Receipts | - | - | - | - | - | - |
| Repair and Renovation Appropriation | 1,919,000 | 1,230,000 | 1,580,000 | 3,067,000 | 1,190,000 | 1,215,000 |

*The Department of Agriculture made a request for a \$13 million supplement to their Connect NC Bond Building



Agency Appropriations - DACS

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Summary of FY 2017-19 Department of Agriculture and Consumer Services Capital Improvement Actual Appropriations

| | Governor's Recommended Budget | | Appropriations Act | | Repair and Renovations Allocations | |
|------------------------|-------------------------------|------------|--------------------|------------|------------------------------------|------------|
| | FY 2017-18 | FY 2018-19 | FY 2017-18 | FY 2018-19 | FY 2017-18 | FY 2018-19 |
| General Fund | 731,000 | 760,000 | 500,000 | 13,750,000 | | |
| Repair and Renovations | | | | | 2,668,000 | 2,023,000 |
| Receipts | | | | 18,275,000 | | |
| Debt | 6,000,000 | 13,000,000 | | | | |



Agency Needs Requirements: DEQ

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| | |
|------------------------|--------------|
| Gross Square Footage | 100,527 |
| Insured Building Value | \$26,093,384 |
| Number of Buildings | 10 |

The Department of Environmental Quality maintains several laboratories, a district office, and an marine education center.

A large request each year from the Department comes from Water Resources Development projects, which include dredging, beach renourishment, and related water related projects. Water Resources has been deleted from this presentation.



Agency Needs Requirements - DEQ

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Summary of FY 2017-19 Department of Environmental Quality's Capital Improvement Needs Requests

| | FY 2017-18 | FY 2018-19* | FY 2019-20 | FY 2020-21 | FY 2021-22 | FY 2022-23 |
|-------------------------------------|-------------------|--------------------|-------------------|-------------------|-------------------|-------------------|
| New Capital Requirements | 1,421,595 | 15,132,405 | | | | |
| New Capital Receipts | | | | | | |
| New Capital Appropriation | 1,421,595 | 15,132,405 | | | | |
| | | | | | | |
| Repair and Renovation Requirements | | | | | | |
| Repair and Renovation Receipts | | | | | | |
| Repair and Renovation Appropriation | | | | | | |

*Agency made requests for new Marine Fisheries Boat and expansion and renovation of the Reedy Creek Laboratory.



Agency Appropriations – DEQ

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Summary of FY 2017-19 Department of Agriculture and Consumer Services Capital Improvement Actual Appropriations

| | Governor's Recommended Budget | | Appropriations Act | | Repair and Renovations Allocations | |
|------------------------|-------------------------------|------------|--------------------|------------|------------------------------------|------------|
| | FY 2017-18 | FY 2018-19 | FY 2017-18 | FY 2018-19 | FY 2017-18 | FY 2018-19 |
| General Fund | | 3,000,000 | | | | |
| Repair and Renovations | | | | | 2,208,996 | 630,300 |
| Receipts | | | | | | |
| Debt | 16,554,000 | | | | | |



Agency Needs Requirements - Justice

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| | |
|------------------------|---------------|
| Gross Square Footage | 405,027 |
| Insured Building Value | \$102,186,066 |
| Number of Buildings | 34 |

The Department of Justice maintains buildings and related support facilities for Crime Laboratories and Justice Training Academies.

The Department typically has no available receipts for capital projects.



Agency Needs Requirements - Justice

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Summary of FY 2017-19 Department of Justice's Capital Improvement Needs Requests

| | FY 2017-18 | FY 2018-19* | FY 2019-20 | FY 2020-21 | FY 2021-22 | FY 2022-23 |
|-------------------------------------|-------------------|--------------------|-------------------|-------------------|-------------------|-------------------|
| New Capital Requirements | 17,024,000 | | | | | |
| New Capital Receipts | | | | | | |
| New Capital Appropriation | 17,024,000 | | | | | |
| | | | | | | |
| Repair and Renovation Requirements | | | | | | |
| Repair and Renovation Receipts | - | - | - | - | - | - |
| Repair and Renovation Appropriation | | | | | | |

Requested \$50,000 in planning funds for a new Law Enforcement Officers memorial.



Agency Appropriations - Justice

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Summary of FY 2017-19 Department of Justice Capital Improvement Actual Appropriations

| | Governor's Recommended Budget | | Appropriations Act | | Repair and Renovations Allocations | |
|------------------------|-------------------------------|------------|--------------------|------------|------------------------------------|------------|
| | FY 2017-18 | FY 2018-19 | FY 2017-18 | FY 2018-19 | FY 2017-18 | FY 2018-19 |
| General Fund | 731,000 | 50,000 | | 7,620,970 | | |
| Repair and Renovations | | | | | 4,752,000 | 973,000 |
| Receipts | | | | | | |
| Debt | 13,119,000 | | | | | |



Agency: DMVA

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| | |
|------------------------|---------------|
| Gross Square Footage | 404,969 |
| Insured Building Value | \$121,735,683 |
| Number of Buildings | 20 |

The Department of Military and Veterans Affairs maintains nursing homes, cemeteries, and related support facilities throughout the State.

Receipts to the Department are typically from nursing home receipts and burial receipts.



Agency Needs Requirements – DMVA

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Summary of FY 2017-19 Department of Military and Veterans Affairs Capital Improvement Needs Requests

| | FY 2017-18 | FY 2018-19 | FY 2019-20 | FY 2020-21 | FY 2021-22 | FY 2022-23 |
|-------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| New Capital Requirements | | | 3,400,000 | 35,490,800 | 3,400,000 | 35,490,800 |
| New Capital Receipts | | | 3,400,000 | 35,490,800 | 3,400,000 | 35,490,800 |
| New Capital Appropriation | | | | | | |
| | | | | | | |
| Repair and Renovation Requirements | 7,117,342 | | | | | |
| Repair and Renovation Receipts | | | | | | |
| Repair and Renovation Appropriation | 7,117,342 | | | | | |



Agency Appropriations – DMVA

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Summary of FY 2017-19 Department of Military and Veterans Affairs Capital Improvement Actual Appropriations

| | Governor's Recommended Budget | | Appropriations Act | | Repair and Renovations Allocations | |
|------------------------|-------------------------------|------------|--------------------|------------|------------------------------------|------------|
| | FY 2017-18 | FY 2018-19 | FY 2017-18 | FY 2018-19 | FY 2017-18 | FY 2018-19 |
| General Fund | | | | | | |
| Repair and Renovations | | | | | 657,183 | 326,500 |
| Receipts | | 90,196,083 | | 87,396,083 | | |
| Debt | | | | | | |



Agency: DNCR

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| | |
|------------------------|---------------|
| Gross Square Footage | 3,339,471 |
| Insured Building Value | \$833,076,413 |
| Number of Buildings | 1,497 |

The Department of Natural and Cultural Resources maintains museums, aquariums, parks, historic sites, and related support facilities throughout the State.

Receipts to the Department are typically from admission charges, donations, and fundraising efforts.



Agency Needs Requirements - DNCR

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Summary of FY 2017-19 Department of Natural and Cultural Resources Capital Improvement Needs Requests

| | FY 2017-18 | FY 2018-19* | FY 2019-20 | FY 2020-21 | FY 2021-22 | FY 2022-23 |
|-------------------------------------|-------------------|--------------------|-------------------|-------------------|-------------------|-------------------|
| New Capital Requirements | 64,241,200 | 73,490,400 | 100,797,000 | 94,988,300 | 29,428,400 | 30,000,000 |
| New Capital Receipts | 1,445,300 | 1,950,000 | 1,500,000 | - | - | - |
| New Capital Appropriation | 62,795,900 | 71,540,400 | 99,297,000 | 94,988,300 | 29,428,400 | 30,000,000 |
| | | | | | | |
| Repair and Renovation Requirements | 39,145,983 | 13,662,600 | 7,074,000 | 1,140,000 | - | - |
| Repair and Renovation Receipts | - | - | - | - | - | - |
| Repair and Renovation Appropriation | 39,145,983 | 13,662,600 | 7,074,000 | 1,140,000 | - | - |

*Agency made additional requests for the African American Monument, Supplement for the Zoo, Dinosaur Lab, and the Graveyard of the Atlantic



Agency Appropriations – DNCR

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Summary of FY 2017-19 Department of Natural and Cultural Resources Capital Improvement Actual Appropriations

| | Governor's Recommended Budget | | Appropriations Act | | Repair and Renovations Allocations | |
|------------------------|-------------------------------|------------|--------------------|------------|------------------------------------|------------|
| | FY 2017-18 | FY 2018-19 | FY 2017-18 | FY 2018-19 | FY 2017-18 | FY 2018-19 |
| General Fund | 455,000 | 5,600,000 | 5,000,000 | 23,050,000 | | |
| Repair and Renovations | | | 9,000,000 | | 3,017,500 | 2,080,000 |
| Receipts | 915,300 | 980,000 | | | | |
| Debt | 12,500,000 | 17,263,000 | | | | |



Agency Needs Requirements – DPI

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| | |
|------------------------|---------------|
| Gross Square Footage | 977,827 |
| Insured Building Value | \$160,169,343 |
| Number of Buildings | 91 |

The Department of Instruction maintains buildings and related support facilities for Residential Schools and Teaching Education facilities.

The Department has no available receipts for capital projects.



Agency Needs Requirements - DPI

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Summary of FY 2017-19 Department of Justice's Capital Improvement Needs Requests

| | FY 2017-18 | FY 2018-19 | FY 2019-20 | FY 2020-21 | FY 2021-22 | FY 2022-23 |
|-------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| New Capital Requirements | 50,000 | 500,000 | 5,000 | 5,000 | 5,000 | 5,000 |
| New Capital Receipts | | | | | | |
| New Capital Appropriation | 50,000 | 500,000 | 5,000 | 5,000 | 5,000 | 5,000 |
| | | | | | | |
| Repair and Renovation Requirements | | | | | | |
| Repair and Renovation Receipts | - | - | - | - | - | - |
| Repair and Renovation Appropriation | | | | | | |



Agency Appropriations – DPI

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Summary of FY 2017-19 Department of Public Instructions Capital Improvement Actual Appropriations

| | Governor's Recommended Budget | | Appropriations Act | | Repair and Renovations Allocations | |
|------------------------|-------------------------------|------------|--------------------|------------|------------------------------------|------------|
| | FY 2017-18 | FY 2018-19 | FY 2017-18 | FY 2018-19 | FY 2017-18 | FY 2018-19 |
| General Fund | | | | | | |
| Repair and Renovations | | | 300,000 | | 1,911,000 | 1,790,200 |
| Receipts | | | | | | |
| Debt | | | | | | |



Agency Needs Requirements – DPS

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| | |
|------------------------|-----------------|
| Gross Square Footage | 15,592,184 |
| Insured Building Value | \$2,849,289,916 |
| Number of Buildings | 2,215 |

The Department of Public Safety maintains facilities throughout the State relating to the custody of inmates, officer training, police, and National Guard, and related support.

Receipts to the Department include Federal funds related to National Guard projects and funds from Correction related enterprises and inmate welfare funds.



Agency Needs Requirements - DPS

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Summary of FY 2017-19 Department of Department of Public Safety's Capital Improvement Needs Requests

| | FY 2017-18 | FY 2018-19* | FY 2019-20 | FY 2020-21 | FY 2021-22 | FY 2022-23 |
|-------------------------------------|-------------------|--------------------|-------------------|-------------------|-------------------|-------------------|
| New Capital Requirements | 20,803,033 | 24,912,500 | 56,622,179 | 250,000 | 250,000 | 250,000 |
| New Capital Receipts | 200,000 | 200,000 | 5,066,872 | | | |
| New Capital Appropriation | 20,603,033 | 24,712,500 | 51,555,307 | 250,000 | 250,000 | 250,000 |
| | | | | | | |
| Repair and Renovation Requirements | 27,446,316 | 25,307,383 | 22,580,104 | 24,342,220 | 25,066,248 | 25,066,248 |
| Repair and Renovation Receipts | 2,235,247 | 2,782,338 | 2,591,943 | 3,359,375 | 3,611,331 | 3,611,331 |
| Repair and Renovation Appropriation | 25,211,069 | 22,525,045 | 19,988,161 | 20,982,845 | 21,454,917 | 21,454,917 |

*Department of Public Safety submitted requests to supplement Connect NC Bond projects and for the new YDC in Rockingham County.



Agency Appropriations – DPS

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Summary of FY 2017-19 Department of Public Safety's Capital Improvement Actual Appropriations

| | Governor's Recommended Budget | | Appropriations Act | | Repair and Renovations Allocations | |
|------------------------|-------------------------------|------------|--------------------|------------|------------------------------------|------------|
| | FY 2017-18 | FY 2018-19 | FY 2017-18 | FY 2018-19 | FY 2017-18 | FY 2018-19 |
| General Fund | 5,350,000 | 890,000 | 18,417,993 | 34,604,100 | | |
| Repair and Renovations | | | 3,950,000 | | 12,698,308 | 8,990,300 |
| Receipts | | 2,092,000 | | 2,092,000 | | |
| Debt | 13,245,000 | 25,979,000 | | | | |



Agency Needs Requirements – DHHS

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| | |
|------------------------|-----------------|
| Gross Square Footage | 7,726,992 |
| Insured Building Value | \$1,629,127,391 |
| Number of Buildings | 681 |

The Department of Health and Human services maintains facilities throughout the State that relate to the treatment of the mentally ill, substance abuse disorders, neuromedical needs, and developmental needs; and, public health related laboratory facilities.

The Department has no available receipts for capital projects.



Agency Needs Requirements - DHHS

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Summary of FY 2017-19 Department of Health and Human Service's Capital Improvement Needs Requests

| | FY 2017-18 | FY 2018-19 | FY 2019-20 | FY 2020-21 | FY 2021-22 | FY 2022-23 |
|-------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| New Capital Requirements | 18,326,000 | 18,335,000 | 41,468,000 | 22,493,000 | 20,575,950 | 26,117,275 |
| New Capital Receipts | | | | | | |
| New Capital Appropriation | 18,326,000 | 18,335,000 | 41,468,000 | 22,493,000 | 20,575,950 | 26,117,275 |
| | | | | | | |
| Repair and Renovation Requirements | 12,162,000 | 14,869,000 | 36,409,000 | 26,441,550 | 32,706,000 | 35,245,500 |
| Repair and Renovation Receipts | - | - | - | - | - | - |
| Repair and Renovation Appropriation | 12,162,000 | 14,869,000 | 36,409,000 | 26,441,550 | 32,706,000 | 35,245,500 |



Agency Appropriations – DHHS

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Summary of FY 2017-19 Department of Health and Human Service's Capital Improvement Actual Appropriations

| | Governor's Recommended Budget | | Appropriations Act | | Repair and Renovations Allocations | |
|------------------------|-------------------------------|------------|--------------------|------------|------------------------------------|------------|
| | FY 2017-18 | FY 2018-19 | FY 2017-18 | FY 2018-19 | FY 2017-18 | FY 2018-19 |
| General Fund | | 4,300,000 | | | | |
| Repair and Renovations | | | | | 11,792,000 | 6,475,000 |
| Receipts | | | | | | |
| Debt | 36,661,000 | | | | | |



Agency Needs Requirements – DOT

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| | |
|------------------------|---------------|
| Gross Square Footage | 10,410,251 |
| Insured Building Value | \$859,556,783 |
| Number of Buildings | 2,268 |

The Department of Transportation maintains buildings throughout the State related to highway construction and maintenance, ferries, and ports. Highway related funds, and not General Funds, fund construction and maintenance of Department facilities.



Agency Needs Requirements - DOT

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Summary of FY 2017-19 Department of Transportations' Capital Improvement Needs Requests

| | FY 2017-18 | FY 2018-19 | FY 2019-20 | FY 2020-21 | FY 2021-22 | FY 2022-23 |
|-------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| New Capital Requirements | 11,876,000 | 11,137,000 | 13,472,000 | 17,168,200 | 17,615,000 | 17,224,000 |
| New Capital Receipts | 11,876,000 | 11,137,000 | 13,472,000 | 17,168,200 | 17,615,000 | 17,224,000 |
| New Capital Appropriation | | | | | | |
| | | | | | | |
| Repair and Renovation Requirements | | | | | | |
| Repair and Renovation Receipts | - | - | - | - | - | - |
| Repair and Renovation Appropriation | | | | | | |



Agency Appropriations – DOT

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Summary of FY 2017-19 Department of Transportation Capital Improvement Actual Appropriations

| | Governor's Recommended Budget | | Appropriations Act | | Repair and Renovations Allocations | |
|------------------------|-------------------------------|----------------------|--------------------|----------------------|------------------------------------|--------------|
| | FY 2017-18 | FY 2018-19 | FY 2017-18 | FY 2018-19 | FY 2017-18 | FY 2018-19 |
| General Fund | | | | | | |
| Repair and Renovations | | | | | Not Eligible | Not Eligible |
| Receipts | 33,976,600 | Included in Year One | 20,079,407 | Included in Year One | | |
| Debt | | | | | | |



Agency Needs Requirements – WRC

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and Management

| | |
|------------------------|--------------|
| Gross Square Footage | 356,380 |
| Insured Building Value | \$24,225,697 |
| Number of Buildings | 195 |

The Wildlife Resources Commission maintains offices, support structures for wildlife land, and related event space throughout the State.

A majority of Wildlife Resources Commission facilities are supported by receipts generated by the Department. However, the Commission is eligible to receive Repair and Renovation funds, as it is partially General Fund supported.



Agency Needs Requirements - WRC

Office of State Budget
and Management

Summary of FY 2017-19 Wildlife Resources Commission Capital Improvement Needs Requests

| | FY 2017-18 | FY 2018-19 | FY 2019-20 | FY 2020-21 | FY 2021-22 | FY 2022-23 |
|-------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| New Capital Requirements | 9,250,000 | 4,000,000 | 3,750,000 | 4,750,000 | 3,750,000 | 4,750,000 |
| New Capital Receipts | 9,250,000 | 4,000,000 | 3,750,000 | 4,750,000 | 3,750,000 | 4,750,000 |
| New Capital Appropriation | - | - | - | - | - | - |
| | | | | | | |
| Repair and Renovation Requirements | 3,675,000 | 1,200,000 | 2,400,000 | 900,000 | 2,400,000 | 900,000 |
| Repair and Renovation Receipts | 2,400,000 | 1,200,000 | 2,400,000 | 900,000 | 2,400,000 | 900,000 |
| Repair and Renovation Appropriation | 1,275,000 | - | - | - | - | - |



Agency Appropriations – WRC

Office of State Budget
and Management

Summary of FY 2017-19 Wildlife Resources Commission Capital Improvement Actual Appropriations

| | Governor's Recommended Budget | | Appropriations Act | | Repair and Renovations Allocations | |
|------------------------|-------------------------------|----------------------|--------------------|----------------------|------------------------------------|------------|
| | FY 2017-18 | FY 2018-19 | FY 2017-18 | FY 2018-19 | FY 2017-18 | FY 2018-19 |
| General Fund | | | | | | |
| Repair and Renovations | | | | | 190,650 | |
| Receipts | 22,600,000 | Included in Year One | 22,600,000 | Included in Year One | | |
| Debt | | | | | | |



Other Agency Appropriations

Office of State Budget
and Management

Summary of FY 2017-19 Agency Recommendations for Additional Agencies Capital Improvement Actual Appropriations

| | Governor's Recommended Budget | | Appropriations Act | | Repair and Renovations Allocations | |
|------------------------|-------------------------------|------------|--------------------|------------|------------------------------------|------------|
| | FY 2017-18 | FY 2018-19 | FY 2017-18 | FY 2018-19 | FY 2017-18 | FY 2018-19 |
| General Fund | | 2,000,000 | | 5,000,000 | | |
| Repair and Renovations | | | | | 1,416,963 | 60,000 |
| Receipts | | | | | | |
| Debt | 21,800,000 | | | | | |

Includes the following:

- General Assembly
- Office of State Budget and Management
- Department of Commerce



Recommendations: UNC

Office of State Budget
and Management

- Governor's 2017-18 Budget Recommended:
 - \$175 million in Limited Obligation Bonds for the UNC System
 - \$2 million in a General Fund appropriation for North Carolina Central University.
- Governor's 2018-19 Budget Recommended
 - \$30,607,000 in Two Thirds Bonds for the UNC System to Supplement Connect NC Bond Projects
- Recommended 2017-19 Repairs and Renovations Allocation was evenly split between State Agencies and UNC.



UNC Selection Criteria

Office of State Budget
and Management

Selection Criteria for 2017 UNC Projects

- \$175 Million in Limited Obligation Bonds for Targeted Renewal efforts
 - Used List provided at January 2017 UNC BOG Meeting
 - Reviewed both New and Targeted Renewal requests
 - Projects must be full building renovation or infrastructure renewal
 - Projects must be over \$2.5 million in cost
 - Projects had to be under an amount so that every Constituent Institution received a project
 - Project priority rating drove the process



Agency Appropriations – UNC

Office of State Budget
and Management

Summary of FY 2017-19 Wildlife Resources Commission Capital Improvement Actual Appropriations

| | Governor's Recommended Budget | | Appropriations Act | | Repair and Renovations Allocations | |
|------------------------|-------------------------------|------------|--------------------|------------|------------------------------------|------------|
| | FY 2017-18 | FY 2018-19 | FY 2017-18 | FY 2018-19 | FY 2017-18 | FY 2018-19 |
| General Fund | 2,000,000 | | 6,500,000 | 57,370,00 | | |
| Repair and Renovations | | | 10,750,000 | | 50,500,000 | 32,339,465 |
| Receipts | | | | | | |
| Debt | 175,000,000 | 30,607,000 | | | | |



Major Provision Requests – 2017-18

Office of State Budget
and Management

Maintains an equal distribution of repairs and renovations funds for UNC and State Agencies

- General Assembly Adopted

Provides Agency and UNC flexibility for repairs and renovations funds from operating sources

- Allows Agencies to use up to \$500,000 in operating funds
- Allows UNC Campuses to up to \$1 million in operating funds
- General Assembly did not Adopt

Defines capital projects at over \$100,000 in cost

- General Assembly did not Adopt

Allows the Department of Administration access to bond proceeds for Connect NC administration

- General Assembly did not Adopt

Removes a requirement that UNC use receipts to advance plan projects prior to requesting State funds

- General Assembly did not Adopt



Major Provision Requests – 2018-19

Office of State Budget
and Management

Reallocation of Connect NC Bonds for State Parks

- General Assembly adopted

Provides Agency and UNC flexibility for repairs and renovations funds from operating sources at the informal project limit

- General Assembly did not adopt

Defines capital projects at over \$100,000 in cost

- General Assembly adopted

Allows Administration to use proceeds from the sale for State Land allocated to DOA in Wake County toward Repair and Renovation

- General Assembly did not adopt

Removes a requirement that UNC use receipts to advance plan projects prior to requesting State funds

- General Assembly did not adopt

Modernize DHHS Commission for the Blind food services to grant the flexibility to contract out for Food Services in the Capital Complex

- General Assembly did not adopt

Repeal State Capitol and Infrastructure Fund

- General Assembly did not adopt



Governor's 2019-21 Budget Priorities

Office of State Budget
and Management

- Positioning North Carolina to create new jobs and grow middle class paychecks;
- Making North Carolina a top ten educated state;
- Promoting healthier and safer communities; and
- Ensuring an effective, accountable, well-run state government
- Hurricane Florence recovery and resiliency



Changes to Expect for FY 2019-21

Office of State Budget
and Management

- Agencies are currently submitting 2019-21 Appropriations Requests. Items that may cause changes:
 - Recently passed legislation:
 - Raise the Age Legislation
 - Addressing projects that received planning funds
 - Hurricane Florence Repair and Resiliency Efforts
 - Agencies that did not submit requests should be presented



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